



State of Wisconsin
Department of Health and Family Services

Jim Doyle, Governor
Helene Nelson, Secretary

In-home Autism Funding

| Change to Base | FY 04 | | FY 05 | |
|----------------------------------|---------------|---------------|---------------|---------------|
| | GPR | All Funds | GPR | All Funds |
| MA Expenditures- Autism | -\$12,889,800 | -\$30,997,600 | -\$12,889,800 | -\$30,995,200 |
| MA Expenditures- other therapies | \$4,573,800 | \$11,000,000 | \$4,573,800 | \$11,000,000 |
| Net expenditures | -\$8,316,000 | -\$19,997,600 | -\$8,316,000 | -\$19,995,200 |

Description of Proposal

- Eliminate intensive in-home autism treatment as a Medicaid benefit.

Background

- Autism is a developmental disability that typically is diagnosed during the first three years of life. The result of a neurological disorder that affects the functioning of the brain, autism impacts the normal development of the brain in the areas of social interaction and communication skills.
- Wisconsin Medicaid funds intensive in-home behavioral services for children with autism. The purpose is to change the child's autistic behaviors to ones that are more typical of a non-autistic child. Recipients receive in-home treatment on a one-on-one basis up to 35 hours per week. The treatment is developed under the guidance of a Ph.D. psychologist.
- Since 1994, program expenditures have grown from \$15,000 AF to \$31.7 million AF (\$13.1 million GPR) in SFY02. Approximately 1,000 children currently receive in-home autism services and enrollment has been growing by approximately 200 children per year over the last 3 years. The average annual cost per child is \$30,000, and can range as high as \$75,000 per year for certain children.
- The federal Department of Health and Human Services (DHHS) advised Wisconsin in June of 2000 of DHHS' position that Wisconsin's in-home autism benefit is not eligible for federal Medicaid funding under the optional rehabilitation services category under federal Medicaid law.
- Recent legal cases have required other state Medicaid programs to cover certain other services for children with autism under the federal EPSDT "other services" requirement. However, it appears that the only arrangement under which a state Medicaid program is currently covering intensive in-home autism treatment and claiming Medicaid federal funding is through a federal home and community based waiver.

Rationale for Proposal

- The federal government has taken the position that intensive in-home autism treatment is not eligible for federal Medicaid funding as a rehabilitation service.
- At least two other state Medicaid programs cover this service for a limited number of clients as a "habilitation service" under federally-approved home and community-based waivers, rather than as a Medicaid EPSDT service.

- To the best of our knowledge, no other state or private insurance plan provides coverage for these services.
- Recent press reports and anecdotal information indicate that some families with autistic children are moving to Wisconsin to obtain coverage for these services under Wisconsin's Medicaid program.
- Ninety percent of the children receiving these services are eligible for Medicaid coverage through the Katie Beckett Program and 70% of them have private insurance coverage.
- Intensive-in home therapy is only one treatment model for autism. Wide ranges of treatment options are available and there is no one model that has been universally accepted and proven effective.
- Most of these children receiving the in-home autism benefit would still be eligible for other Medicaid covered services, including in-home psychotherapy, occupational therapy, speech therapy, and school based services. This would treat children with autism similar to other Medicaid eligible children with other developmental disabilities. Advocates contend that these services are not an equivalent substitute for the intensive in-home treatment.

Note: Governor Jim Doyle has directed DHFS to re-evaluate this proposal. DHFS staff are currently examining Medicaid rules and talking to parents and advocates to develop an alternative proposal.